THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) The objects of the Trust are charitable in nature as evident from the Trust deed i.e. to provide relief to the poor by way of free distribution of food, milk, clothes and to provide education medical aid, drinking water etc.

(b) Exempiton from tax is available to such trusts under section 10 (23C) and Section 11 of the Income Tax Act, 161, subject to the fulfilment of the prescribed conditions. Donations to trust approved u/s 80G of the IT Act, qualify for deduction 50% in the hands of the donors.

(c) Registration u/s 12A and exemption u/s 10(23C) or 11 are granted after proper enquiries and investigations and subject to fulfilment of prescribed conditions. Exemptions are available from one year to three years, at a time, as the case may be. Failure to fulfil the prescribed conditions leads to forfeiture of the exemptions.

(d) Nothing adverse has come to the notice of the Government so far.

(e) No, Sir.

(f) In view of (d) and (e) above, does not arise?

Special Purpose Vehicle for financing infrastructural projects

1408. SHRI LAJPAT RAI:
SHRI R. P. GOENKA:

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a proposal has been formulated to set up a Special Purpose Vehicle (SPV) for financing Rs. 40,000 to 50,000 crores for infrasructure projects in the form of a mutual fund registered with the SEBI;

(b) if so, the details thereof alongwith allocation of funds to various projects under various sectors;

(c) whether it is a fact that most of the financial institutions have opposed the creation of the proposed Fund, being complex in nature and because it would only duplicate the already existing similar nodal financial institutions, the IDFC; and

(d) if so, the details of the objections received and final decision taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANT GANGARAM GEETE): (a) to (d) The Finance Minister in his Budget speech for the year 2002-2003 announced for setting up of an Infrastructure Equity Fund of Rs. 1000 crores. The contributions to the Fund to be managed by Infrastructure Development Finance Company Ltd. (IDFC) would be initially made by public sector insurance companies, Financial Institutions (FIs) and some banks. IDFC has prepared a concept paper which is being discussed with banks/FIs. The details of the scheme are yet to be finalized.

Transparency in Transactions of Governments Securities

1409. SHRI NILOTPAL BASU: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether it is a fact that trading in Government Securities are not allowed in stock Exchanges across the counter in a transparent manner on screen and in a demutualised form;

(b) if so, the present practice of trade in G-secs and details arising thereof;

(c) whether the present practice does not have inbuilt safeguards against fraud as revealed in the Home Trade case;

(d) if so, whether any changes are being contemplated in the present practice and introuduce trade under across the counter transactions in the exchanges; and

(e) if so, the details thereof and the tentative schedule in this regard?